

STATINTL

X [REDACTED]  
5 June 1975

MEMORANDUM FOR THE RECORD

STATINTL

Called [REDACTED] Deputy Chief, Contract Personnel Division, concerning existence of statutory or regulatory limit on compensation for independent contractors (specific case concerns an independent contractor translator for [REDACTED]). According to Rod, although there is no statutory limit on the amount we may pay an independent contractor for his fee, the Agency has an internal ceiling of \$36K for payment to I.C.s. This ceiling may be exceeded only with the approval of the DCI.

STATINTL

A quite legitimate vehicle for circumventing this ceiling is to limit the actual compensation by including other expense clauses in the contract. For instance, we may decide to reimburse an individual for his operational or business expenses such as supplies, equipment, typists fees, etc. This would, so to speak, split his payments between actual compensation and expenses; only the compensation portion being subject to the \$36K limit.

When questioned on appropriate approvals, Rod mentioned that if we wished to exceed the \$36K limit we would have to address a memo to the DCI through D/Pers and the DDA. If we wish to amend the contract to incorporate an ops expense clause, we have the authority in [REDACTED] to accomplish such and a memo to OP/CPD requesting that this be included in the contract should do the trick.

STATSPEC

STATINTL

[REDACTED]  
Administrative Officer, [REDACTED]

STATSPEC

cc: Director, [REDACTED]  
Chief, Production Group

STATSPEC